

Shmarova A.
L. I. Donets, research supervisor
National M. Tugan-Baranovsky University
of Economics and Trade of Donetsk

MARKETING RESEARCH IN 7 STEPS

Managers need information in order to introduce products and services that create value in the mind of the customer. But the perception of value is a subjective one, and what customers value this year may be quite different from what they value next year. The goal of marketing research is to provide the facts and direction that managers need to make their more important marketing decisions.

Firstly, the decision problem faced by management must be translated into a market research problem in the form of questions that define the information that is required to make the decision and how this information can be obtained. Thus, the decision problem is translated into a research problem.

The market research budget is a portion of your overall marketing budget. A method popular with small business owners to establish a marketing budget is to allocate a small percentage of gross sales for the most recent year. It is necessary to prepare a detailed, realistic time frame to complete all steps of the market research process.

The objective of the research should be defined clearly. It is useful for the researcher to outline possible scenarios of the research results and then for the decision maker to formulate plans of action under each scenario. The use of such scenarios can ensure that the purpose of the research is agreed upon before it commences.

Marketing research can be classified in one of three categories: exploratory research, descriptive research, causal research. These classifications are made according to the objective of the research. In some cases the research will fall into one of these categories, but in other cases different phases of the same research project will fall into different categories.

Exploratory research has the goal of formulating problems more precisely, clarifying concepts, gathering explanations, gaining insight, eliminating impractical ideas, and forming hypotheses. Descriptive research is more rigid than exploratory research and seeks to describe users of a product, determine the proportion of the population that uses a product, or predict future demand for a

product. Such preparation allows one the opportunity to make any required changes before the costly process of data collection has begun. Causal research seeks to find cause and effect relationships between variables. It accomplishes this goal through laboratory and field experiments.

One of the most important steps in marketing research is to identify data types and sources. Before going through the time and expense of collecting primary data, one should check for secondary data that previously may have been collected for other purposes but that can be used in the immediate study. The government census is a valuable source of secondary data.

Primary data can be obtained by communication or by observation. Communication involves questioning respondents either verbally or in writing. Observation involves the recording of actions and is performed by either a person or some mechanical or electronic device. Personal interviews have an interviewer bias that mail-in questionnaires do not have.

Significant effort should be put into the questionnaire design. Poorly constructed questions can result in large errors and invalidate the research data, so many of the questions in a marketing research survey are designed to measure customer's attitudes. The pool from which the interviewees are chosen may include the telephone book, mall intercepts. Making the research study, one should consider the potential errors.

To help you obtain clear, unbiased and reliable results, collect the data under the direction of experienced researchers. Before beginning the collection of data, it is important to train, educate and supervise your research staff.

Once your data has been collected, it needs to be assembled into a format in which it can be analyzed easily. This involves editing, coding and tabulating the responses. Well-designed questionnaires can make a difference in how easy this step is.

Before analysis can be performed, raw data must be transformed into the right format. First, it must be edited so that errors can be corrected or omitted. There are several ways to analyze the info. (1.) One of the most popular is conjoint analysis. The conjoint analysis is a powerful technique for determining consumer preferences for product attributes. Another test of significance is the Analysis of Variance (ANOVA) test. The primary purpose of ANOVA is to test for differences between multiple means. Factor analysis studies the entire set of interrelationships without defining variables to be dependent or independent.

Market research reports and presentations are easily the second most important step. Once marketing information about your target market, competition and environment is collected and analyzed, present it in an organized manner to the decision makers of the business.

Marketing research by itself does not arrive at marketing decisions, nor does it guarantee that the organization will be successful in marketing its products. However, when conducted in a systematic, analytical, and objective manner, marketing research can reduce the uncertainty in the decision-making process and increase the probability and magnitude of success.

References:

1. Bashirov I. H. *“Marketing Research, Organization and Implementation”*, Donetsk, Kassiopeya, 2004.-p.316.